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FISCAL IMPACT STATEMENT

LS 6576

BILL NUMBER: SB 378

NOTE PREPARED: Feb 1, 2012

BILL AMENDED:

SUBJECT: Conservancy District Contracts.

FIRST AUTHOR: Sen. Simpson

FIRST SPONSOR: Rep. Steuerwald

BILL STATUS: As Passed Senate

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill permits the board of directors of a conservancy district (board) to enter into contracts with local governmental agencies for purposes of implementing the district plan. (Current law permits such contracts with a person or a federal or state agency.)

The bill adds security of any part of the district as a purpose for which the board may enter into such a contract. (Current law permits contracts for construction, maintenance, or operation of any part of the district.)

Effective Date: July 1, 2012.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: The fiscal impact of this bill would depend on the extent to which a board of a conservancy district would contract with local governmental agencies for security or other services necessary to carry out the purposes of the district. A district may use property tax funds levied for the maintenance and operation of the works of improvement, rental fees from the lease of lands or other assets, or the sale of services or property that are produced incident to the district plan to provide funding for contracts.

Background: Conservancy districts may be formed for:

(1) Flood prevention and control.

- (2) Improving drainage.
- (3) Providing for irrigation.
- (4) Providing water supply, including treatment and distribution, for domestic, industrial, and public use.
- (5) Providing for the collection, treatment, and disposal of sewage and other liquid wastes.
- (6) Developing forests, wildlife areas, parks, and recreational facilities if feasible in connection with beneficial water management.
- (7) Preventing the loss of topsoil from injurious water erosion.
- (8) Storage of water for augmentation of stream flow.
- (9) Operation, maintenance, and improvement of:
 - (A) a work of improvement for water-based recreational purposes; or
 - (B) other work of improvement that could have been built for any other purpose authorized.

Explanation of Local Revenues: A local governmental unit that may contract with a conservancy district for security or other conservancy district plan-related services may have increased revenues along with associated expenditures.

State Agencies Affected: Natural Resources Commission.

Local Agencies Affected: Local governments and conservancy districts; Circuit courts.

Information Sources: www.in.gov/sboa/WebReports/B33816.pdf

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